



Additional Reading: COVID-19 and Restaurants

January 18, 2021

The words in this first section are taken from a letter sent by the National Restaurant Association, the Missouri Restaurant Association, and every other state restaurant association to the National Governors Association and the US Conference of Mayors.

For decades, restaurants have created safe dining experiences for their guests. Guided by the FDA Food Code, establishments focus on practices in both the kitchen and dining areas that are designed to protect guests. From the outset of the pandemic, restaurants built upon existing practices by adding new and enhanced protocols. Employee health checks, hand hygiene, and surface cleaning and sanitizing were already in place.

Our Association's [COVID-19 Safe Operating Guidance](#) enhanced these practices to require face coverings for staff, request face coverings for guests, add more frequent hand sanitizing, provide guests with hand sanitizers, and increase frequency of cleaning and sanitizing high-touch surfaces. Restaurants also updated floorplans to ensure social distancing of at least six feet between guests while in a restaurant.

To date, we have not found any systemic outbreaks of COVID-19 from the hundreds of thousands of restaurants around the country that operate within the Association's guidance and follow local public health and safety regulations. Data tying systemic community outbreaks of COVID-19 to restaurants has yet to emerge, but we are too commonly labelled as "super-spreaders," and have become a convenient scapegoat for reflexive shutdowns.

We continue to support aggressive steps to protect the nation's public health. But there is an unfounded impression that restaurants are part of the problem, and we are suffering as a result of inconsistent, restrictive mandates. Tens of thousands of additional restaurant bankruptcies—and millions of lost jobs—are now more likely, while the science remains inconclusive on whether any health benefits will accrue. While scientists know far more about the viral exposure risks from homes, workplaces, and commercial establishments over the past eight months, the response from many officials harkens back to the blunt-force approach taken in March.

As governors determine whether socially facing businesses like restaurants should be closed or scaled back, we urge you to take the following suggestions into consideration:

- Regulations and decisions regarding restaurant operations should be based on facts and contact-tracing data, not hypothetical simulations of transmission.
 - When restrictive regulations are imposed, such as capacity restrictions or shutdowns, it should be clear what health metrics must be achieved to return to the previous level.
 - Restaurant operations should be treated the same as other retail establishments. Shutting down indoor dining should be considered a last option.
 - If a shutdown is mandated, restaurants should be recognized as essential businesses and remain open for off-premise sales (e.g., takeout, delivery, and drive-through), as well as outdoor dining.
 - Restaurants should receive as much advance notice as possible of changing regulations.
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Bureau of Labor Statistics data:

Restaurants and Bars Lost 372,000 Jobs in December

The restaurant industry has suffered the most significant sales and job losses of any industry since the coronavirus outbreak began.

Few people realize the importance of the restaurant industry – or its size. According to Bureau of Economic Analysis data, the economic impact of restaurants exceeds the *combined* effect of the hotel and lodging industry, food and beverage stores, the airline industry, and transit and ground passenger transportation. Restaurants contribute more to the national economy than the petroleum industry and agriculture – combined.



One in 6 US restaurants has permanently closed amid pandemic

https://thehill.com/business-a-lobbying/529097-one-in-6-us-restaurants-have-permanently-closed-amid-pandemic?utm_source=The+Industry+Update&utm_campaign=2380857640-EMAIL_CAMPAIGN_2018_1_06_COPY_01&utm_medium=email&utm_term=0_c11ca6169d-2380857640-114471207

BY ALEX GANGITANO - 12/07/20 05:12 PM EST

More than 110,000 restaurants have completely closed as a result of the coronavirus pandemic, according to an estimate by the National Restaurant Association.

The advocacy group predicts that as of Monday, 17 percent of restaurants have permanently closed, which is about 1 in 6 restaurants nationwide. The number also marks an increase from September, when the group said about 100,000 restaurants had closed.

Thirty-seven percent of operators said it is unlikely their restaurant will still be in business six months from now, according to a survey released Monday by the National Restaurant Association.

“What these findings make clear is that more than 500,000 restaurants of every business type—franchise, chain, and independent—are in an economic free fall,” said Sean Kennedy, executive vice president for public affairs at the association.

Revenues have been down by more than one-third compared with normal operations. Eighty-seven percent of restaurants, including independent, chain and franchise restaurants, reported an average 36 percent drop in sales revenue.

The National Restaurant Association Research Group survey was conducted among 6,000 restaurant operators and 250 supply chain businesses from Nov. 17 to Nov. 30.



Eating and drinking places finished 2020 nearly 2.5 million jobs (or 20%) below their pre-coronavirus employment level.

January 8, 2021

Prior to the coronavirus pandemic, the restaurant and foodservice industry was expected to provide 15.6 million jobs in 2020, according to National Restaurant Association projections. This would have represented 10% of all payroll jobs in the economy, and made the industry the second-largest private sector employer in the economy.

Eating and drinking places are the largest component of the restaurant and foodservice workforce, and were projected to provide 12.3 million jobs during 2020. The other 3.3 million foodservice positions were expected to be in sectors such as healthcare (570,000), accommodation (530,000), education (435,000) and food and beverage stores (400,000).

After starting out positive, 2020 turned into a devastating year for the restaurant workforce. Restaurants were hit harder than any other industry during the pandemic, and still have the longest climb back to pre-coronavirus employment levels.

Below is a timeline of eating and drinking place employment trends during 2020.

January-February: The eating-and-drinking-place sector completed its 10th consecutive year of employment growth – providing a record 12.3 million jobs in February.

March-April: The restaurant industry suffered far more job losses than any other sector at the outset of the coronavirus pandemic, as government-mandated lockdowns led to millions of restaurant and foodservice employees being laid off or furloughed* in March and April.

May-June: What followed was an unprecedented hiring surge, with nearly 3 million restaurant employees returning to payrolls in May and June. While a two-month employment bounce of 3 million jobs was impressive, it only marked the beginning of a long road to recovery for the restaurant industry.

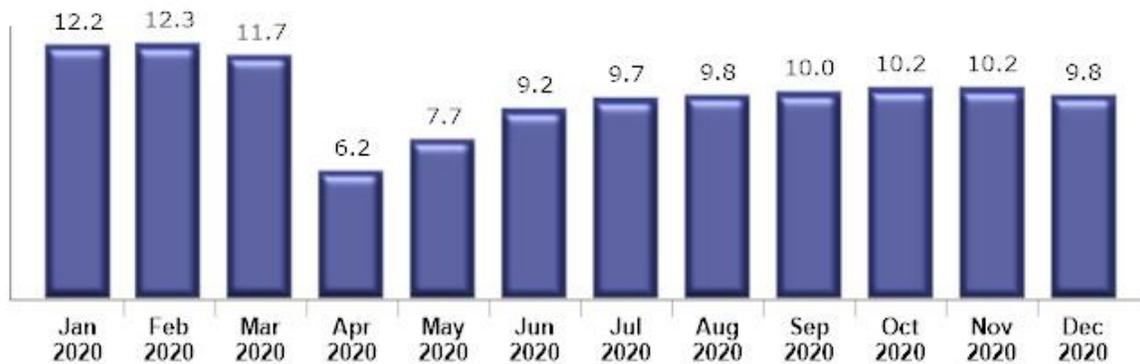
July-October: Although restaurant employment continued to trend higher during summer and early fall, the gains were only enough to put a modest dent in the staffing shortfall. In total during these four months, eating and drinking places added a net 1 million jobs.

November: The industry's employment recovery stalled in November, with eating and drinking places payrolls remaining essentially flat. Business conditions started rapidly deteriorating due to the winding down of outdoor dining, rising restrictions on indoor dining, and significantly scaled-back holiday celebrations.

December: The bottom fell out in December, as plunging sales forced restaurants to cut 372,000 jobs. As a result, the eating and drinking place sector finished 2020 nearly 2.5 million jobs (or 20%) below its pre-coronavirus level. That employment shortfall was nearly three times larger than the next closest industry: the professional-and-business-services sector was still 858,000 jobs below its pre-coronavirus level.

Number of Jobs at Eating and Drinking Places

(millions)



Source: Bureau of Labor Statistics; figures are seasonally-adjusted and preliminary

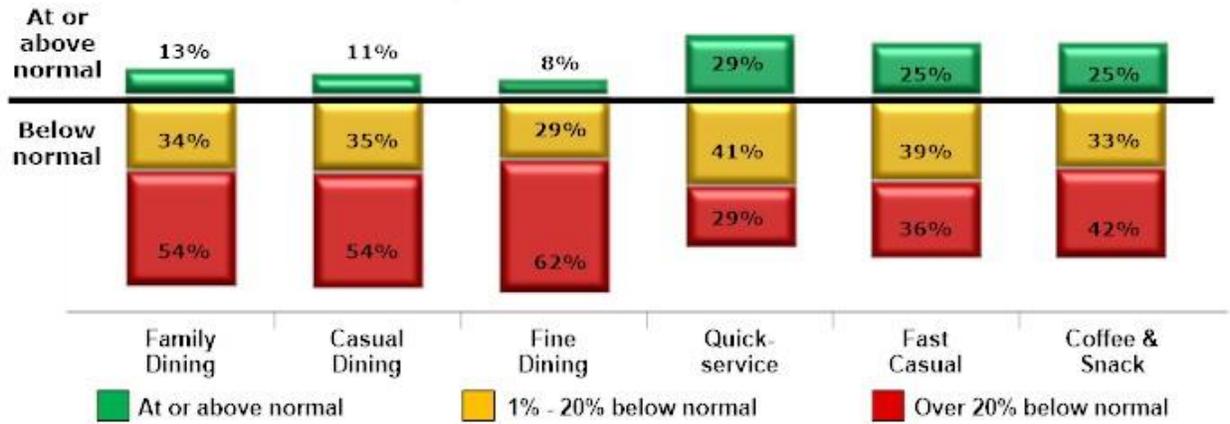
**Note: The BLS monthly employment dataset measures jobs during the payroll period that includes the 12th of each month. Changes in restaurant staffing levels – both negative and positive – have occurred rapidly during the coronavirus pandemic, as restaurants quickly adjust their operating status in response to evolving regulatory and economic conditions. As a result, significant changes likely occurred during the weeks between each measurement period, and the monthly data likely did not fully capture the total job losses experienced during the coronavirus lockdowns. Based on surveys of restaurant operators, the National Restaurant Association estimates that more than 8 million eating and drinking place employees were laid off or furloughed during the peak of the lockdowns.*

Staffing levels down across all segments

Restaurant employment remains dampened across all segments. In a national survey of restaurant operators conducted in late-November, 9 in 10 fullservice operators reported staffing levels that were lower than what they would normally be in the absence of COVID-19. Sixty-two percent of fine dining operators and 54% of both family dining and casual dining operators said their staffing levels were more than 20% below normal.

Job losses were somewhat less severe in the limited-service segment, as roughly one in four operators reported staffing that was at or above normal levels. Still, a majority of limited-service operators said their staffing was below normal.

Restaurant operators' reporting of their current staffing compared to normal levels



Source: National Restaurant Association, survey of 6,000 restaurant operators conducted 11/17 - 11/30, 2020



COVID-19 Restaurant Impact Survey – December 2020

Missouri

Restaurant Business Conditions

- Consumer spending in Missouri restaurants remained well below normal levels in October. Eighty-one percent of Missouri restaurant operators say their total dollar sales volume in October was lower than it was in October 2019. Overall, sales were down 28% on average.
- Most restaurant operators do not expect business conditions to improve in the coming months. Eighty-four percent of Missouri operators expect their sales to decrease from current levels during the next 3 months. Only 3% of operators expect their sales will increase from current levels during the next 3 months.
- Even though sales were significantly lower for most restaurants, it doesn't mean their costs also fell proportionally. Sixty-one percent of Missouri operators say their restaurant's total labor costs (as a percent of sales) are higher than they were prior to the COVID-19 outbreak. Only 18% of operators say their labor costs are lower, as a percent of sales.
- With costs rising and sales falling, the result is added damage to the bottom line. Eighty-nine percent of Missouri operators say their restaurant's profit margin is lower than it was prior to the COVID-19 outbreak.
- With business conditions deteriorating, more federal government assistance is critical for the survival of many restaurants. Forty percent of Missouri operators

say it is unlikely their restaurant will still be in business six months from now, if there are no additional relief packages from the federal government.

- Absent additional government assistance, one option is to close the restaurant until business conditions improve. Thirty-eight percent of Missouri operators say they are considering temporarily closing their restaurant until the COVID-19 pandemic passes.

Restaurant Jobs

- Although many restaurants added back employees after the initial lockdowns, overall staffing levels remain well below normal. Eighty-three percent of Missouri operators say their current staffing level is lower than what it would normally be in the absence of COVID-19. Forty-four percent of restaurants are currently more than 20% below normal staffing levels.
- With business conditions deteriorating, many restaurant operators are anticipating additional layoffs in the coming months. Fifty-six percent of Missouri operators expect their staffing levels to decline during the next 3 months. Only 1% of operators expect their staffing levels will rise during the next 3 months.

Source: National Restaurant Association, national survey of 6,000 restaurant operators conducted November 17 – 30, 2020

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We can't Recover from COVID-19 without Restaurants

By Bob Bonney, Missouri Restaurant Association

June 1, 2020

The pace at which the COVID-19 pandemic descended upon us is still difficult to comprehend. On March 11, the NBA suspended its season. Soon after, MLB stopped spring training and postponed its opening day, the NCAA canceled March Madness, and the NHL shut down.

Other announcements followed: schools were closed, stay at home orders were issued, and restaurant dining rooms across Missouri were ordered to close. Many restaurants quickly pivoted to carryout and tried to hold on to business; however, sales were in free-fall decline, and within a matter of days, two thirds of restaurant employees in America, more than 8 million people, were out of work, according to a National Restaurant Association (NRA) survey of restaurant operators. The restaurant industry has suffered the most significant sales and job losses of any industry since the coronavirus outbreak began.

The devastation of the restaurant industry contributed significantly to the spiraling U.S. economy. Few people realize the importance of the restaurant industry – or its size. According to Bureau of Economic Analysis data, the economic impact of restaurants exceeds the *combined* effect of the hotel and lodging industry, food

and beverage stores, the airline industry, and transit and ground passenger transportation. Restaurants contribute more to the national economy than the petroleum industry and agriculture – combined.

We cannot fully restore the American economy unless restaurants successfully re-emerge on the other side of the pandemic.

What's at Stake

Prior to the pandemic, the restaurant industry in America created 1,000 jobs a day according to the Bureau of Labor Statistics (BLS). A 2020 survey from the National Restaurant Association found that one in two Americans get their first job in a restaurant. From historical data collected from an NRA Educational Foundation survey, we know that from this group, which begins in an entry-level, hourly position, will come 90% of tomorrow's restaurant managers and 80% of future owners. What an extraordinary measure of upward mobility!

Over a recent five-year period, when the overall number of restaurants in the nation increased by 12%, the number of minority-owned restaurants grew at a rate over four times greater. The U.S. Census Bureau indicates that the growth in middle-class jobs in the restaurant sector over the same period has been four times that of the economy as a whole.

In Missouri, restaurants employ 10% of the state's workforce - 300,300 people according to NRA projections. We are an industry where an individual can begin with no experience and no formal education and reach the middle class and beyond. BLS data indicates that the restaurant industry is the second largest private-sector employer in America and the state, and it employs more women and minorities in management positions than does any other. Restaurant job creation consistently outpaces the overall private sector by a wide margin — as it has for each of the last 19 years.

The next time you dine in a restaurant, pay attention to what's around you. Our food and our people mirror the melting pot that made this nation so great. Every day, in cities and communities across Missouri and the country, the career opportunities that the restaurant industry provided for workers of every background are on display. The Missouri Restaurant Association is here to serve restaurant employees and owners across the state, and we advocate for this community each and every day. [Check out our website](#) for more information on what we do and how we do it.

Bob Bonney is CEO of the Missouri Restaurant Association.

https://www.feastmagazine.com/sponsored/spotlight/article_40d292b0-a423-11ea-9880-fbdb79fc1815.html